



SCOTT M. MATHESON
Governor

OIL, GAS, AND MINING BOARD

GORDON E. HARMSTON
Executive Director,
NATURAL RESOURCES

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS, AND MINING

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Chairman

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CLEON B. FEIGHT
Director

December 27, 1978

Mr. Eric Newman, President
Minerals Recovery Corporation
575 Union Blvd., Suite 304
Lakewood, Colorado

Re: Reclamation Surety
South Lisbon Mine
San Juan County, Utah
ACT/037/018

Dear Mr. Newman:

An abbreviated version of Minerals Recovery Corporation's mining and reclamation plan for the South Lisbon Mine has been published in both statewide and local newspapers to solicit public comment.

The Board of Oil, Gas, and Mining has given unanimous approval of the mining and reclamation plan, conditional upon the Division receiving no adverse comments. They have also approved the reclamation surety estimate in the amount of \$7,833.00. The Board has agreed to give Minerals Recovery Corporation the option of the form of surety, which may be either a bond for the full amount or an escrow agreement comprised of interest bearing certificates of deposit with a face value of not less than \$7,105.00 and an annual interest rate of not less than five (5) percent.

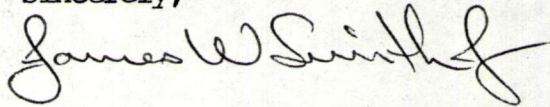
If the amount of surety is satisfactory to Minerals Recovery Corporation, please complete and submit the appropriate form for the type of surety selected. Also, please furnish proof of execution for such transaction (i.e., a receipt). You will note that the surety forms have been altered somewhat to take care of your situation and they will require retyping to include these changes.

The required thirty (30) day waiting period following publication ends on December 30, 1978. Subject to the Division receiving no adverse comments of substance, final approval will be granted upon receipt of the reclamation surety and mining may lawfully commence.

Mr. Eric Newman
December 27, 1978
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If you have any questions regarding the above please feel free to contact this office.

Sincerely,

A handwritten signature in cursive script, reading "James W. Smith, Jr.", written in dark ink.

JAMES W. SMITH, JR.
RECLAMATION SOILS SPECIALIST

JWS/sp

enc: Bond Estimate
MR Forms 5, 7a, 7b

DIVISION OF OIL, GAS, AND MINING

BOND ESTIMATE

OPERATOR: Minerals Recovery Corporation
 MINE NAME: South Lisbon Mine ACT/037/018
 LOCATION: Sec.'s 25 & 36, T. 30S., R. 25E.
 COUNTY: San Juan
 DATE: September 26, 1978

Operation	Amount	Rate	Cost
CLEAN-UP			
1. Removal of structures & equipment.	Lump sum	\$1,000.00	\$1,000.00
2. Removal of trash & debris.			
3. Leveling of ancillary facilities pads and access roads.			
REGRADING & RECONTOURING			
1. Earthwork including haulage and grading of spoils, waste and overburden.	24 hrs.	\$ 85.00/hr	\$2,040.00
2. Recontouring of highwalls and excavations.			
3. Spreading of soil or surficial materials.			
STABILIZATION			
1. Soil preparation, scarification, fertilization, etc.	3 acres	\$ 25.00/ac	\$ 75.00
2. Seeding or planting.	3 acres	\$ 150.00/ac	\$ 450.00
3. Construction of terraces, water-bars, etc. Diversion Ditches around pit.	Included in B		
LABOR			
1. Supervision.	24 hrs.	\$ 10.00/hr	\$ 240.00
2. Labor exclusive of bulldozer time.			
SAFETY			
1. Erection of fences, portal coverings, etc.	800 ft. fence	\$ 1.25/ft	\$1,000.00
	4 portal seals	\$ 500.00 ea	\$2,000.00
2. Removal or neutralization of explosive or hazardous materials.	Lump sum	\$ 100.00	\$ 100.00
MONITORING			
1. Continuing or periodic monitoring, sampling & testing deemed necessary.	4 annual inspections	\$ 50.00 ea	\$ 200.00
		Subtotal	\$7,105.00
OTHER 5% inflation for 2yrs life of operation 1.1025			728.00
		Total	\$7,833.00